



SENT TO COUNCIL:

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Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Leslye Corsiglia

SUBJECT: IMPLEMENTATION OF
AFFORDABLE HOUSING
DISPERSION POLICY

DATE: June 1, 2004

Approved

Date

6.7.04

COUNCIL DISTRICT: Citywide

INFORMATION

In 1988, shortly after the formation of the Housing Department, the City Council approved "San Jose: A Commitment to Housing," the Final Report of the Mayor's Task Force on Housing. One of the policy statements adopted as a part of that approval was the Dispersion Policy, which encourages the development of lower-income housing throughout the community in order to achieve economic integration in neighborhoods Citywide. The Policy was amended by the City Council in 1997 to add a provision that housing affordable to lower-income households should be funded in eleven "impacted" Census Tracts in Council Districts 3 and 5 only after careful consideration. "Impacted" Census Tracts were defined as those in which more than 50% of the households are lower-income. For a number of years, the Department has had a performance goal to disperse 85% of its funds for development outside these impacted areas.

Between 1988 and May 1, 2004, 10.1% of new-construction units affordable to extremely low-, very low- and low-income households receiving funding commitments from the City Council have been located in the eleven "impacted" Census Tracts.

There is no adopted Council policy regarding the distribution of lower-income units by City Council District. Nonetheless, the attachment to this memorandum summarizes the Council-District distribution of City-funded lower-income units since 1988. As the data shows, the majority of development has occurred in areas where infill opportunities have been more prevalent, with two-thirds of all units being constructed in Districts 3, 4, 5, 6 and 7.

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Please contact me at extension 3863 should you have any questions in this regard.


LESLIE CORSIGLIA
Director of Housing

Attachment

cc: Housing Advisory Commission



**Distribution of New-Construction* Lower-Income Units
By City Council District
1988 - 2004****

<u>COUNCIL DISTRICT</u>	<u>EXTREMELY LOW-INCOME</u>	<u>VERY LOW- INCOME</u>	<u>LOW- INCOME</u>	<u>DISTRICT TOTALS</u>	<u>PERCENTAGE DISTRIBUTION BY DISTRICT</u>
1	10	130	56	196	2.0%
2	14	312	171	497	5.0%
3	178	714	324	1,216	12.2%
4	15	548	473	1,036	10.4%
5	90	776	270	1,136	11.4%
6	134	906	1,056	2,096	21.1%
7	405	1,024	733	2,162	21.8%
8	0	24	54	78	0.8%
9	134	692	248	1,074	10.8%
10	<u>0</u>	<u>293</u>	<u>147</u>	<u>440</u>	4.4%
GRAND TOTALS	980	5,419	3,532	9,931	

* Includes only new-construction units/beds funded by the Housing Department (including 20% Supplement funds from the Redevelopment Agency). Excludes acquisition/rehabilitation units, new-construction units funded directly by the Redevelopment Agency, and new-construction units created in accordance with the Inclusionary Housing Policy in redevelopment project areas.

** Includes all projects that have received a funding commitment from the City Council as of May 1, 2004.